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Corps expects to increase the number of its volunteers overseas from an estimated 10,345 at the end of the 1967 program year to an estimated 12,670 at the end of the following program year, representing an increase of more than 22 percent.

I am pleased to note that some 89 young people from my own State of Kentucky are presently serving with the Corps overseas.

The year 1967 marks the sixth year of the operations of the Peace Corps. I was very happy to be one of the cosponsors in 1961 of the original bill, S. 2000, which established the Corps by providing an initial appropriation of \$40 million to train 2,700 Corpsmen. When the Senate was debating the bill, I said on the floor of the Senate at that time:

The young people who will be members of the Peace Corps will be able to represent our country in a special and valuable way—in a way that those who represent us in our foreign aid programs and our Foreign Service cannot do. These young people will represent our programs and the purposes of our country in the remote villages and areas of foreign countries, and most of them will be closely associated with their peoples.

I went on to point out:

That the Peace Corps has aroused imagination and engendered a sense of mission among the young people of our country. I would not wish to do anything to deny or to limit the feeling of responsibility, of mission, of value to mankind which the measure has inspired among young men and women in the United States. This program will do much to stimulate and inspire in young people of our country the belief that they have a part to play in helping to solve the world problems facing our country today.

The work of the Corps to date has proven the wisdom of the decision by the Congress in 1961 to authorize this experiment which started in some 16 countries and has now been extended to 52 countries. It has been a program that has been successful and has provided an opportunity to young people to share their skills with their less fortunate world neighbors in such important fields as agriculture, community development, education, and health.

I support the bill and urge its passage.

Mr. YARBOROUGH. Mr. President, by passing the fiscal year 1968 authorization bill for the Peace Corps, the Senate today has taken another step forward in extending a helping hand to peoples throughout the world. With this increased authorization additional volunteers will be added to the ranks of the 15,300 young men and women who so admirably and unselfishly serve in 52 countries where the Peace Corps is in operation.

In an age when the lines of communications between the peoples of the world are daily broken, when the threat of starvation is a daily companion to millions of our fellow human beings, when the hope of a better tomorrow seems as far away as the stars, the Peace Corps stands ready to repair the communication lines, offer the needed piece of bread, and bring the stars a little closer.

I supported the Peace Corps during its inception in 1961 as I continue to support it today.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1031) was passed.

Mr. MANSFIELD. Mr. President, I wish to extend the gratitude of the entire Senate to the chairman of the Committee on Foreign Relations, the distinguished Senator from Arkansas [Mr. FULBRIGHT]. His handling of this measure which authorizes the appropriations for the Peace Corps was characterized by his typically articulate presentation. To its consideration, he brought the same deep conviction and broad understanding which accompanies all measures gaining his support. We are indebted for the outstanding manner in which he assured prompt, effective, and efficient disposition.

We are grateful also to the Senators from Ohio [Mr. LAUSCHE] and Delaware [Mr. WILLIAMS] for offering their splendid cooperation to assure swift action. The Senate may be proud of another achievement obtained with dispatch and with full recognition for the views of every Member.

INTERNATIONAL HEALTH, EDUCATION, AND LABOR PROGRAM

Mr. YARBOROUGH. Mr. President, if a society is to be free, its people must have access to the truth. This simple axiom is basic to the achievement of a good and just society. The people must know the truth in order to make the great decisions which a self-governing people must make for themselves. Whatever detracts from or distorts the truth, threatens the very basis of freedom.

There is another requirement for the building of a society—and that is that the society must be able to survive. In terms of our relations with other states this means a strong national defense. For many centuries it has also meant the use of various forms of deception in international relations. This we accept today as one of the realities of international relations. I hope that this will not always be the case.

In pursuit of a new day in international relations, any nation which bases its society on freedom and truth should use these as weapons in the international arena. There are those who would dismiss such a notion as naive foolishness, and say that it is out of place in the hardheaded world of international power politics. I feel however, that our Government should take every step possible, consistent with the maintenance of a strong national defense, to root out all of the space-age deception and secrecy practiced by the Federal Government and replace these with a strong dose of old-fashioned truth.

One area where immediate action should be taken is in activities which involve the people of our country working on programs of social betterment with people of other countries—with no

governments directly involved. For although a government is motivated in its relations with another government to a large degree by considerations of national governmental advantage, and is aware that the governments with which it deals act also according to the same principles, individual people are different. Especially in programs where individual Americans render assistance directly to people in underdeveloped nations, without Government intervention, honesty is assumed. And if any deception should be practiced, a bond of trust is irreparably broken.

So it is that many international projects carried out by individual Americans and by private American organizations have now become suspect or have lost their effectiveness because links with the Central Intelligence Agency have been revealed.

In addition to the harm which CIA involvement has done to the nongovernmental projects themselves, the CIA's activities in this regard pose a great danger to various of our domestic institutions. The mere existence of an organization like the CIA, with vast experience and brilliant capability in secret manipulation of political and social activities and attitudes, is a great potential threat to a free society. The Congress and the executive branch of the Government must be steadfast to carefully limit the activities of this organization and keep it from contaminating our lives and our society.

I am pleased to note that on March 29, 1967, President Johnson announced that he was directing all Government agencies to implement the policy recommended by the Katzenbach Committee, appointed to investigate the matter. In pertinent part this policy statement directs that—

No federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations. This policy specifically applies to all foreign activities of such organizations and it reaffirms present policy with respect to their domestic activities.

I am also pleased to note that the President has formed a special committee under the chairmanship of Secretary of State Rusk to review concrete ways of providing open support for international nongovernmental assistance and cooperation projects.

There is a whole host of activities being carried on abroad by private individuals and by nonprofit, nongovernmental organizations in health, education, labor, and other areas of endeavor related to the welfare of people, which are doing an immense amount of good and which deserve to be given public financial assistance. Individuals and nonprofit organizations, not a part of any Government agency, but working abroad independently, and carrying out health programs, education programs, leadership programs, job-training programs, and many other such projects, can be immensely beneficial, and should be carried on.

INTERNATIONAL HEALTH, EDUCATION, AND LABOR PROGRAM

I am therefore introducing legislation to establish an International Health,

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Education, and Labor Program to provide open support for private, nongovernmental activities in the fields of health, education, and labor, and other welfare fields, designed first, to promote a better knowledge of the United States among the peoples of the world; second, to increase friendship and understanding among the peoples of the world; and, third, to strengthen the capacity of the other peoples of the world to develop and maintain free, independent societies in their own nations.

Joining me in cosponsoring this legislation are the Senator from Maryland [Mr. BRIDWATER], the Senator from Alaska [Mr. GRUENING], the Senator from Minnesota [Mr. MONDALE], the Senator from Oregon [Mr. MORSE], and the Senators from Wisconsin, [Mr. PROXMIER and Mr. NELSON].

DIRECTOR

For the program to function well, it is necessary, I believe, to have strong leadership. The bill, therefore, vests executive authority in a single director rather than in a council. The Director shall be appointed by the President, by and with the advice and consent of the Senate.

He shall be a distinguished citizen who has demonstrated exceptional qualities and abilities necessary to enable him to successfully perform the functions of the office of the Director.

INTERNATIONAL HEALTH, EDUCATION, AND LABOR COUNCIL

An 11-member International Health, Education, and Labor Council shall advise the Director with respect to policies, programs, and procedures for carrying out his functions and shall review applications for financial support and make recommendations thereon to the Director. The Council shall be comprised of persons eminent in the fields of education, student activities, youth activities, labor, health, scientific research, or other fields pertinent to the functions of the program. They shall be selected on the basis of records of distinguished service and shall not be officers or employees of the U.S. Government.

GRANTS IN SUPPORT OF PRIVATE ACTIVITIES

The Director shall make grants to private, nonprofit organizations, to public or private nonprofit educational institutions, and to individuals not employed by the Federal, a State or a local government.

The grants shall be made for the purpose of enabling these individuals and organizations to assist, provide, or participate in international activities, conferences, meetings, and seminars in the fields of health, education, labor, and other welfare fields related to the purposes of the act. The bill is flexible in that, depending upon the circumstances, the program could pay for all or a part of the activity. Organizations should be encouraged to obtain as much of their funds from nongovernmental sources as possible.

The bill explicitly states:

No portion of any funds granted shall be used to support any intelligence gathering activity carried on by any officer or employee of the United States.

In the field of this type of aid, this bill aims at "open covenants or open arrivals at."

Recipients of grants would be required to conduct openly all activities supported by the grants from the program. The Director is permitted to require reports solely to determine that the funds are being applied to the purpose for which the application was made.

The Director is also required to develop procedures to provide an equitable distribution of grants among the various applicants, but which will at the same time assure that grants will be made to those qualified recipients most capable of achieving a successful or significant contribution favorably related to the purpose of the act.

The Director is prohibited from imposing any requirements or conditions relative to the making of a grant which would impair the freedom of thought and expression of recipients of grants.

PROHIBITION AGAINST REQUIRING INTELLIGENCE GATHERING

Section 7 of the bill is a further prohibition against the requiring of intelligence gathering as a condition to the receipt of a grant. The section reads as follows:

No department, agency, officer, or employee of the United States shall request or require any recipient or any other beneficiary of any grant made under this Act to obtain, furnish, or report, or cause to be obtained, furnished, or reported, any information relating, directly or indirectly, to any activity supported by such grant, except as is (1) provided by section 4(b) of this Act or (2) authorized under law in the case of any information directly relating to the violation of any criminal law of the United States by such recipient or beneficiary.

APPROPRIATIONS

In order to facilitate long-range planning and in order to minimize Government involvement, it will be desirable to make multiyear appropriations for the program. The bill authorizes a total of \$100 million for the entire first 5 years and thereafter such sums as may be necessary to carry out the purposes of the act. I hope that hearings can be held at an early date on the bill and that testimony from expert witnesses can give Congress some idea of how much money can be profitably used during the first 5 years of the program. Regardless of the amount which Congress should deem it desirable to authorize, I would hope that appropriations could be made for 5-year periods.

One of the problem areas with this legislation is how best to effectuate the transfer of public funds to private hands for international humanitarian activity. Multiyear appropriations will go a long way toward accomplishing this.

I hope that some of the ideas contained in this legislation will be stimulating to Secretary Rusk's committee as they work on their own proposal. It is most important that the 90th Congress meet the responsibility which it bears and which has been brought into sharp relief by the CIA revelations—to provide public financial assistance to international human betterment activities of individual American citizens and of private, nonprofit organizations.

I ask unanimous consent that the text of the bill, the statement by President Johnson of March 29, and the report of the Katzenbach committee be printed in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, will be printed in the Record, together with the statement by President Johnson and the report of the Katzenbach committee.

The bill (S. 1779) to establish an international health, education, and labor program to provide open support for private, nongovernmental activities in the fields of health, education, and labor, and other welfare fields, introduced by Mr. YARBOROUGH (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the Record, as follows:

S. 1779

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ESTABLISHMENT OF FOUNDATION

SECTION 1. (a) There is hereby established as an independent agency of the Government an International Health, Education, and Labor Foundation (hereinafter referred to as the "Foundation").

(b) The Foundation shall be composed of a Director and an International Health, Education, and Labor Council (hereinafter referred to as the "Council").

(c) The purposes of the Foundation shall be to establish and conduct an International Health, Education, and Labor Program under which the Foundation shall provide open support for private, nongovernmental activities in the fields of health, education, and labor, and other welfare fields, designed—

(1) to promote a better knowledge of the United States among the peoples of the world;

(2) to increase friendship and understanding among the peoples of the world; and

(3) to strengthen the capacity of the other peoples of the world to develop and maintain free, independent societies in their own nations.

DIRECTOR OF FOUNDATION

SEC. 2. (a) The Foundation shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. The person nominated for appointment as the Director shall be a distinguished citizen who has demonstrated exceptional qualities and abilities necessary to enable him to successfully perform the functions of the office of the Director.

(b) The Director shall receive compensation at the rate prescribed for level II of the Executive Schedule under section 5311 of title 5, United States Code, and shall serve for a term of five years.

(c) The Director, with the advice of the Council, shall exercise all of the authority granted to the Foundation by this act and shall serve as chief executive officer of the Foundation.

COUNCIL

SEC. 3. (a) The Council shall consist of eleven members to be appointed by the President, by and with the advice and consent of the Senate. The persons nominated for appointment as members of the Council

(1) shall be eminent in the fields of education, student activities, youth activities, labor, health, scientific research, or other fields pertinent to the functions of the Foundation; (2) shall be selected solely on the basis of established records of distinguished service; and (3) shall not be officers

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or employees of the Government of the United States. The President is requested, in the making of nominations of persons for appointment as members, to give due consideration to any recommendations for nomination which may be submitted to him by leading private associations, institutions, and organizations concerned with private activities in the fields of health, education, and labor, and other welfare fields, related to the purposes set forth in the first section of this Act.

(b) The term of office of each member of the Council shall be six years, except that the term of the members first appointed shall be, as designated by the President, not less than two years, four at the end of four years, and four at the end of six years after the date of enactment of this Act; and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed. No member shall be eligible for reappointment during the two-year period following the expiration of his term.

(c) The members of the Council shall receive compensation at the rate of \$100 for each day engaged in the business of the Foundation and shall be allowed travel expenses as authorized by section 5703 of title 5, United States Code.

(d) The President shall call the first meeting of the Council and designate an acting chairman. The Board shall, from time to time, select one of its members to serve as chairman of the Council.

(e) The Council shall meet at the call of the chairman, but not less than once every six months. Six members of the Council shall constitute a quorum.

(f) The Council (1) shall advise the Director with respect to policies, programs, and procedures for carrying out his functions, and (2) shall review applications for financial support submitted pursuant to section 4 and make recommendations thereon to the Director. The Director shall not approve or disapprove any such application until he has received the recommendation of the Council thereon, unless the Council fails to make a recommendation on such application within a reasonable time.

(g) The Council shall, on or before the 31st day of January of each year, submit an annual report to the President and the Congress summarizing the activities of the Council during the preceding calendar year and making such recommendations as it may deem appropriate. The contents of each report so submitted shall promptly be made available to the public.

GRANTS IN SUPPORT OF PRIVATE ACTIVITIES

Sec. 4. (a) To effectuate the purposes of this Act, the Director is authorized, subject to section 3(f), to make grants to private, nonprofit agencies, associations, and organizations organized in the United States, to public or private nonprofit educational institutions located in the United States, and to individuals or groups of individuals who are citizens of the United States not employed by the Government of the United States, a State or political subdivision of a State, or the District of Columbia, for the purpose of enabling them to assist, provide, or participate in international activities, conferences, meetings, and seminars in the fields of health, education, and labor, and other welfare fields, related to the purposes set forth in the first section of this Act. No portion of any funds granted under this section shall be paid by the Director, or by any recipient of a grant under this section, to support any intelligence gathering activity on behalf of the United States or to support any activity carried on by any officer or employee of the United States.

(b) Each grant shall be made by the Director under this section only upon application therefor in such form and containing such information as may be required by the

Director and only on condition that the recipient of such grant will conduct openly all activities supported by such grant and make such reports as the Director may require solely to determine that the funds so granted are applied to the purpose for which application is made.

(c) The Director shall develop procedures and rules with respect to the approval or disapproval of applications for grants under this section which will provide, insofar as practicable, an equitable distribution of grants among the various applicants for such grants and types of activities to be supported by such grants but which will assure that grants will be made to those qualified recipients most capable of achieving a successful or significant contribution favorably related to the purposes set forth in the first section of this Act. In making grants under this section, the Director shall not impose any requirements therefor or conditions thereon which impair the freedom of thought and expression of any recipients or other beneficiaries of such grants.

(d) The Director may (1) pay grants in such installments as he may deem appropriate and (2) provide for such adjustment of payments under this section as may be necessary, including, where appropriate, total withholding of payments.

PUBLIC REPORTS BY DIRECTOR

Sec. 5. The Director shall, on or before the 31st day of January of each year, submit an annual report to the President and the Congress setting forth a summary of his activities under this Act during the preceding calendar year. Such report shall include a list of the grants made by the Director during the preceding calendar year; a statement of the use to which each recipient applied any grant received during the preceding calendar year; and any recommendations which the Director may deem appropriate. The contents of each report so submitted shall promptly be made available to the public.

GENERAL AUTHORITY

Sec. 6. The Director shall have the authority, within the limits of funds available under section 9, to—

(1) prescribe such rules and regulations as he deems necessary governing the manner of the operations of the Foundation, and its organization and personnel;

(2) appoint and fix the compensation of such personnel as may be necessary to enable the Foundation to carry out its functions under this Act, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; except that the salary of any person so employed shall not exceed the maximum salary established by the General Schedule under section 5332 of title 5, United States Code;

(3) obtain the services of experts and consultants from private life, as may be required by the Director or the Council, in accordance with the provisions of section 3109 of title 5, United States Code;

(4) accept and utilize, on behalf of the Foundation, the services of voluntary and uncompensated personnel from private life and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(5) receive money and other property donated, bequeathed, or devised, by private, nongovernmental sources, without condition or restriction other than that it be used for any of the purposes of the Foundation; and to use, sell, or otherwise dispose of such property in carrying out the purposes of this Act; and

(6) make other expenditures necessary to carry into effect the purposes of this Act.

PROHIBITION AGAINST REQUESTING INFORMATION GATHERING

Sec. 7. No department, agency, officer, or employee of the United States shall request or require any recipient or any other beneficiary of any grant made under this Act to obtain, furnish, or report, or cause to be obtained, furnished, or reported, any information relating, directly or indirectly, to any activity supported by such grant, except as is (1) provided by section 4 (b) of this Act or (2) authorized under law in the case of any information directly relating to the violation of any criminal law of the United States by such recipient or beneficiary.

INDEPENDENCE FROM EXECUTIVE CONTROL

Sec. 8. (a) Determinations made by the Director and the Council in the discharge of their functions under this Act shall not be subject to review or control by the President or by any other department, agency, officer, or employee of the Government.

(b) The provisions of subchapter II of chapter 5 of title 5, United States Code (relating to administrative procedure), and of chapter 7 of such title (relating to judicial review), shall not apply with respect to the exercise by the Director or the Council of their functions under this Act.

APPROPRIATIONS

Sec. 9. There are hereby authorized to be appropriated to the Foundation such sums as may be necessary to carry out the purposes of this Act, except that the aggregate of such sums appropriated prior to June 30, 1972, shall not exceed \$100 million. Sums appropriated under this section shall remain available until expended.

The statement by President Johnson on March 29 and the report of the Katzenbach Committee are as follows:

STATEMENT BY THE PRESIDENT

I have received the report from the committee which I appointed on February 15 to review relationships between the Central Intelligence Agency and private American voluntary organizations. This committee consisted of Under Secretary of State Nicholas Katzenbach, as Chairman, Secretary of Health, Education, and Welfare John Gardner, and CIA Director Richard Helms.

I accept this committee's proposed statement of policy and am directing all agencies of the government to implement it fully.

We will also give serious consideration to the committee's recommendation "that the government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest, of public support." To review concrete ways of accomplishing this objective, I am requesting Secretary Rusk to serve as chairman of a special committee which will include representatives from the Executive, the Congress, and the private community.

Dear Mr. President: The committee which you appointed on February 15, 1967 has sought, pursuant to your request:

To review relationships between government agencies, notably the Central Intelligence Agency, and educational and private voluntary organizations which operate abroad; and

To recommend means to help assure that such organizations can play their proper and vital role abroad.

The committee has held a number of meetings, interviewed dozens of individuals in and out of government, and reviewed thousands of pages of reports. We have surveyed the relevant activities of a number of federal agencies. And we have reviewed in particular and specific detail the relationship between CIA and each relevant organization.

Our report, supplemented with supporting classified documents, follows.

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In summary, the committee offers two basic recommendations:

1. It should be the policy of the United States Government that no federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations.

2. The Government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest, of public support.

1. A NEW POLICY

The years immediately after World War II saw a surge of communist activity in organizations throughout the world. Students, scientists, veterans, women and professional groups were organized into international bodies which spoke in the cadences, advocated the policies, and furthered the interests of the communist bloc. Much of this activity was organized, directed, and financed covertly by communist governments.

American organizations reacted from the first. The young men and women who founded the United States National Student Association, for example, did so precisely to give American youth the capacity to hold their own in the international arena. But the importance of students as a force in international events had yet to become widely understood and NSA found it difficult to attract private support for its international activities. Accordingly, the United States Government, acting through the Central Intelligence Agency, provided support for this overseas work.

We have taken NSA as an example. While no useful purpose would be served by detailing any other CIA programs of assistance to private American voluntary organizations, one fundamental point should be clearly stated: such assistance was given pursuant to National Security Council policies beginning in October, 1951 and with the subsequent concurrence of high-level senior interdepartmental review committees in the last four Administrations. In December, 1960, in a classified report submitted after a year of study, a public-private Presidential Committee on Information Activities Abroad specifically endorsed both overt and covert programs, including those assisted by CIA.

Our study, undertaken at a later time, discloses new developments which suggest that we should now re-examine these policies. The American public, for example, has become increasingly aware of the importance of the complex forms of international competition between free societies and communist states. As this awareness has grown, so have potential sources of support for the overseas work of private organizations.

There is no precise index to these sources, but their increase is suggested by the growth in the number of private foundations from 2,220 in 1955 to 18,000 in 1967. Hence it is increasingly possible for organizations like NSA to seek support for overseas activities from open sources.

Just as sources of support have increased, so has the number of American groups engaged in overseas work. According to the Agency for International Development, there has been a nine-fold increase just among voluntary organizations which participate in technical assistance abroad, rising from 24 in 1951 to 220 in 1965. The total of all private American voluntary groups now working overseas may well exceed a thousand.

The number of such organizations which has been assisted covertly is a small fraction of the total. The vast preponderance have had no relationship with the government or have accepted only open government funds—which greatly exceed funds supplied covertly.

The work of private American organizations, in a host of fields, has been of great

benefit to scores of countries. That benefit must not be impaired by foreign doubts about the independence of these organizations. *The committee believes it is essential for the United States to underscore that independence immediately and decisively.*

For these reasons, the committee recommends the following:

STATEMENT OF POLICY

No federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations. This policy specifically applies to all foreign activities of such organizations and it reaffirms present policy with respect to their domestic activities.

Where such support has been given, it will be terminated as quickly as possible without destroying valuable private organizations before they can seek new means of support.¹

We believe that, particularly in the light of recent publicity, establishment of a clear policy of this kind is the only way for the government to carry out two important responsibilities. One is to avoid any implication that governmental assistance, because it is given covertly, is used to affect the policies of private voluntary groups. The second responsibility is to make it plain in all foreign countries that the activities of private American groups abroad are, in fact, private.

The committee has sought carefully to assess the impact of this Statement of Policy on CIA. We have reviewed each relevant program of assistance carried out by the Agency in case-by-case detail. As a result of this scrutiny, the committee is satisfied that application of the Statement of Policy will not unduly handicap the Agency in the exercise of its national security responsibilities. Indeed, it should be noted that, starting well before the appearance of recent publicity, CIA had initiated and pursued efforts to disengage from certain of these activities.

The committee also recommends that the implementation of this policy be supervised by the senior interdepartmental review committee which already passes on proposed CIA activities and which would review and assist in the process of disengagement.²

2: NEW METHODS OF SUPPORT

While our first recommendation seeks to insure the independence of private voluntary organizations, it does not deal with an underlying problem—how to support the national need for, and the intrinsic worth of, their efforts abroad.

¹ On the basis of our case-by-case review, we expect that the process of termination can be largely—perhaps entirely—completed by December 31, 1967.

² If the Statement of Policy is to be effective, it must be rigorously enforced. In the judgment of this committee, no programs currently would justify any exception to this policy. At the same time, where the security of the nation may be at stake, it is impossible for this committee to state categorically now that there will never be a contingency in which overriding national security interests may require an exception—nor would it be credible to enunciate a policy which purported to do so.

We therefore recommend that, in the event of such unusual contingencies, the interdepartmental review committee be permitted to make exceptions to the Statement of Policy, but only where overriding national security interests so require; only on a case-by-case basis; only where open sources of support are shown to be unavailable; and only when such exceptions receive the specific approval of the Secretaries of State and Defense. In no event should any future exception be approved which involves any educational, philanthropic, or cultural organization.

Anyone who has the slightest familiarity with intellectual or youth groups abroad knows that free institutions continue to be under bitter, continuous attack, some of it carefully organized and well-financed, all of it potentially dangerous to this nation.

It is of the greatest importance to our future and to the future of free institutions everywhere that other nations, especially their young people, know and understand American viewpoints. There is no better way to meet this need than through the activity of private American organizations.

The time has surely come for the government to help support such activity in a mature, open manner.

Some progress toward that aim already has been made. In recent years, a number of federal agencies have developed contracts, grants, and other forms of open assistance to private organizations for overseas activities. This assistance, however, does not deal with a major aspect of the problem. A number of organizations cannot, without hampering their effectiveness as independent bodies, accept funds directly from government agencies.

The committee therefore recommends that the Government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest, of public support.

Such a mechanism could take various forms. One promising proposal, advanced by Mrs. Eugene Black, calls for a publicly funded but privately administered body patterned on the British Council.

The British Council established in 1934, operates in 80 countries, administering approximately \$30,000,000 annually for reference libraries, exhibitions, scholarships, international conferences, and cultural exchanges. Because of 21 of its 30 members are drawn from private life, the Council has maintained a reputation for independence, even though 90 percent of its funds are governmental.

According to the UNESCO Directory of Cultural Relations Services, other nations have developed somewhat similar institutions. The Indian Council for Cultural Relations, for example, is entirely government-financed but operates autonomously. The governing body of the Swedish Institute for Cultural Relations consists of both government and private members. This institute receives 75 percent of its funds from the government and the remainder from private contributions.

The experience of these and other countries helps to demonstrate the desirability of a similar body in the United States, wholly or largely funded by the federal government. Another approach might be the establishment of a governmental foundation, perhaps with links to the existing Federal Inter-Agency Council on International Education and Cultural Affairs.

Such a public-private body would not be new to the United States. Congress established the Smithsonian Institution, for example, more than a century ago as a private corporation, under the guardianship of Congress, but governed by a mixed public-private Board of Regents.

The committee began a preliminary study of what might be the best method of meeting the present need. It is evident, however, that, because of the great range both of existing government and private philanthropic programs, the refinement of alternatives and selection among them is a task of considerable complexity. Accordingly, we do not believe that this exclusively governmental committee is an appropriate forum for the task and we recommend, instead, the appointment of a larger group, including individuals in private life with extensive experience in this field.